

## **Venture Capital Investment in Green Technologies Back to Pre-Recession Levels With \$1.9B in Q3 2009 Greentech Media Reports 112 Deals Made in the Quarter, Signaling an Enthusiastic Recovery in the Greentech Investment Sector**

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CAMBRIDGE, MA -- (Marketwire) -- 09/30/09 -- Greentech Media Inc., the industry-leading online media company covering green technology news and analysis, released the most recent quarterly data showing that venture capital investment in green technologies totaled \$1.9 billion in 112 deals in the third quarter of 2009. This is up from \$836 million in 59 deals in the first quarter of 2009 and \$1.2 billion in 85 deals in the solid second quarter.

Solar power was once again the leading investment segment at more than \$575 million in 29 deals followed closely by biofuels, biomass and gasification deals at \$512 million in 17 deals. As forecast by GTM Research -- investment in Smart Grid, Energy Storage and Automotive is gaining momentum.

Driven by the optimism of a recovering economy, plentiful government funding for renewable energy and a recent successful Greentech IPO in battery maker A123 -- venture firms have returned to investing in all stages across all greentech sectors.

Notable and sizeable deals included:

- Solyndra's \$198 million VC investment from Argonaut Private Equity, et al. for its Fremont, Calif.-based thin-film solar firm.
- Synthetic Genomic's \$300 million multi-year commitment from Exxon for the development of algae-based biofuels.
- eMeter's \$32 million investment from Sequoia Capital and Foundation Capital for smart grid management software.
- Tesla Motor's \$82.5 million round from Fjord Capital and Daimler Motors for Tesla's groundbreaking electric vehicle.
- Serious Materials' \$60 million round from Mesirow Capital et al. for green building materials.

Some of the most active VC investors in greentech this quarter included NEA, CMEA, Khosla Ventures,

Kleiner Perkins and Foundation Capital.

In addition to the sheer magnitude of investment (this quarter's \$1.9 billion is close to reaching the investment levels of pre-recession 2008) there is a marked trend of a return to early stage deals with more than 35 Series A and seed rounds this quarter.

Also remarkable was the increasingly global nature of greentech investment this quarter. More than 35 deals came from outside the United States with plentiful deals from the U.K. and France.

Steve Vassallo, Venture Partner at Foundation Capital, sums it up: "It's nice to see that we've hit an inflection point across all segments of cleantech. With the economic recovery well on its way, combined with imminent carbon legislation and the acceleration of energy efficiency and renewable portfolio standards, I expect we're going to see a surge of cleantech IPOs. Several of our cleantech portfolio companies -- from SunRun to SilverSpring -- are about to close their biggest quarters on record. No doubt, there's good reason to be optimistic."

#### About Greentech Media

Greentech Media is an integrated online media company designed to deliver the highest-quality content in the industry, whether it is research, news or critical networking events. Greentech Media is headquartered in Cambridge, Mass., with operations in New York City, San Francisco and Munich. For more information, visit [www.greentechmedia.com](http://www.greentechmedia.com) : [www.greentechmedia.com](http://www.greentechmedia.com) .

#### About the Greentech Innovations Report

The Greentech Innovations Report presents exclusive market research on the global greentech market's critical developments and emerging sectors, prepared by our analysts and industry experts and available only to Greentech Innovations subscribers. In addition to covering topical green technology markets and trends on a monthly basis, The Greentech Innovations Report provides ongoing tracking of venture capital, private equity, unique investors and important financial developments in the market each month, plus quarterly and annual summaries of venture investing in greentech. For more information, visit [www.greentechmedia.com/GreentechMedia/Newsletter/TheGreentechInn... Report.html](http://www.greentechmedia.com/GreentechMedia/Newsletter/TheGreentechInn...Report.html) : [www.greentechmedia.com/GreentechMedia/Newsletter/TheGreentechInn...](http://www.greentechmedia.com/GreentechMedia/Newsletter/TheGreentechInn...) .

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